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BEFORE THE POSTAL REGULATORY COMMISSION WASHINGTON, D.C. 20268-0001

MAIL PROCESSING NETWORK RATIONALIZATION SERVICE CHANGES, 2011

Docket No. N2012-1

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS BRADLEY TO PUBLIC REPRESENTATIVE INTERROGATORY PR/USPS-T4-2 REDIRECTED FROM WITNESS NERI TO WITNESS BRADLEY (January 6, 2012)

United States Postal Service witness Michael Bradley (USPS-T-10) provides responses to the above-listed interrogatory of the Public Representative dated December 21, 2011. The interrogatory has been redirected from Postal Service witness Frank Neri (USPS-T-4). The interrogatory is stated verbatim and followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS BRADLEY TO PUBLIC REPRESENTATIVE INTERROGATORY REDIRECTED FROM WITNESS NERI

PR/USPS-T-4-2

Please refer to page 29 of your testimony, specifically Figure 12: Productivity, which shows the percentage productivity improvement you estimate for 26 mail processing operations. You indicate at pages 27-30 that these figures are based on savings from several components. Please provide a library reference (or citation to existing library reference with specific file, worksheet, and cells identified) with all data and calculations that:

- a. shows the derivation of the cost of each operation for the current network, and
- b. shows the derivation of the annual cost of each operation in the realigned network.

RESPONSE:

- a. The costs of each operation in the current network, as of FY2010, are presented in Library Reference USPS-LR-N2012-1/20. They are presented in the workbook entitled "Mail Processing Labor Cost Savings.xls," in the tab entitled, "Calc Labor Cost Savings." Specifically, please see column "C" entitled "PRC Costs."
- b. The costs of each operation in the realigned network are derived and presented in Library Reference USPS-LR-N2012-1/20. They are presented in the workbook entitled "Mail Processing Labor Cost Savings.xls," in the tab entitled, "Calc Labor Cost Savings." Specifically, please see column "L" entitled, "Realigned Network Cost After Productivity."